

AMENDED IN ASSEMBLY MARCH 21, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1172

Introduced by Assembly Member Bocanegra

February 22, 2013

An act to amend Section ~~17020.3~~ of the Revenue and Taxation Code, relating to taxation, ~~69.5 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1172, as amended, Bocanegra. ~~Personal income tax. Property tax: intercounty base year value transfers.~~

The California Constitution authorizes the Legislature to provide that a person who is either severely disabled or over the age of 55 years may transfer the base year value, as defined, of property that is eligible for the homeowners' property tax exemption to a replacement dwelling that is of equal or lesser value located within the same county as the property from which the base year value is transferred, and if a county ordinance so providing has been adopted, to a replacement dwelling that is located in a different county.

This bill would authorize any person over the age of 65 years to transfer the base year value of an original property to a replacement dwelling located in a different county without the adoption of a county ordinance so providing. This bill would require this provision to be applied only to intercounty transfers of base year value that occur on or after January 1, 2014.

By changing the manner in which local assessors assess property for property taxation purposes, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Section 2229 of the Revenue and Taxation Code requires the Legislature to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation.

This bill would provide that, notwithstanding Section 2229 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill.

This bill would take effect immediately as a tax levy, but would become operative only if Assembly Constitutional Amendment ____ of the 2013–14 Regular Session is approved by the voters.

~~The Personal Income Tax Law conforms, with modification, to the federal definition of exchanged basis property.~~

~~This bill would make a technical, nonsubstantive change to that provision.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 69.5 of the Revenue and Taxation Code
- 2 is amended to read:
- 3 69.5. (a) (1) Notwithstanding any other provision of law,
- 4 pursuant to subdivision (a) of Section 2 of Article XIII A of the
- 5 California Constitution, any person over the age of 55 years, or
- 6 any severely and permanently disabled person, who resides in
- 7 property that is eligible for the homeowners' exemption under
- 8 subdivision (k) of Section 3 of Article XIII of the California
- 9 Constitution and Section 218 may transfer, subject to the conditions
- 10 and limitations provided in this section, the base year value of that
- 11 property to any replacement dwelling of equal or lesser value that
- 12 is located within the same county and is purchased or newly

constructed by that person as his or her principal residence within two years of the sale by that person of the original property, provided that the base year value of the original property shall not be transferred to the replacement dwelling until the original property is sold.

(2) Notwithstanding the limitation in paragraph (1) requiring that the original property and the replacement dwelling be located in the same county, this limitation shall not apply in ~~any~~ *either of the following circumstances:*

(A) *In any county in which the county board of supervisors, after consultation with local affected agencies within the boundaries of the county, adopts an ordinance making the provisions of paragraph (1) also applicable to situations in which replacement dwellings are located in that county and the original properties are located in another county within this state. The authorization contained in this paragraph shall be applicable in a county only if the ordinance adopted by the board of supervisors complies with all of the following requirements:*

~~(A)~~

(i) It is adopted only after consultation between the board of supervisors and all other local affected agencies within the county's boundaries.

~~(B)~~

(ii) It requires that all claims for transfers of base year value from original property located in another county be granted if the claims meet the applicable requirements of both subdivision (a) of Section 2 of Article XIII A of the California Constitution and this section.

~~(C)~~

(iii) It requires that all base year valuations of original property located in another county and determined by its assessor be accepted in connection with the granting of claims for transfers of base year value.

~~(D)~~

(iv) It provides that its provisions are operative for a period of not less than five years.

~~(E)~~

(v) The ordinance specifies the date on and after which its provisions shall be applicable. However, the date specified shall not be earlier than November 9, 1988. The specified applicable

1 date may be a date earlier than the date the county adopts the
2 ordinance.

3 *(B) When any person over the age of 65 years transfers the base*
4 *year value of an original property to a replacement dwelling. This*
5 *subparagraph shall only apply to intercounty transfers of base*
6 *year value that occur on or after January 1, 2014.*

7 (b) In addition to meeting the requirements of subdivision (a),
8 any person claiming the property tax relief provided by this section
9 shall be eligible for that relief only if the following conditions are
10 met:

11 (1) The claimant is an owner and a resident of the original
12 property either at the time of its sale, or at the time when the
13 original property was substantially damaged or destroyed by
14 misfortune or calamity, or within two years of the purchase or new
15 construction of the replacement dwelling.

16 (2) The original property is eligible for the homeowners'
17 exemption, as the result of the claimant's ownership and occupation
18 of the property as his or her principal residence, either at the time
19 of its sale, or at the time when the original property was
20 substantially damaged or destroyed by misfortune or calamity, or
21 within two years of the purchase or new construction of the
22 replacement dwelling.

23 (3) At the time of the sale of the original property, the claimant
24 or the claimant's spouse who resides with the claimant is at least
25 55 years of age, or is severely and permanently disabled.

26 (4) At the time of claiming the property tax relief provided by
27 subdivision (a), the claimant is an owner of a replacement dwelling
28 and occupies it as his or her principal place of residence and, as a
29 result thereof, the property is currently eligible for the homeowners'
30 exemption or would be eligible for the exemption except that the
31 property is already receiving the exemption because of an
32 exemption claim filed by the previous owner.

33 (5) The original property of the claimant is sold by him or her
34 within two years of the purchase or new construction of the
35 replacement dwelling. For purposes of this paragraph, the purchase
36 or new construction of the replacement dwelling includes the
37 purchase of that portion of land on which the replacement building,
38 structure, or other shelter constituting a place of abode of the
39 claimant will be situated and that, pursuant to paragraph (3) of
40 subdivision (g), constitutes a part of the replacement dwelling.

1 (6) Except as otherwise provided in paragraph (2) of subdivision
2 (a), the replacement dwelling, including that portion of land on
3 which it is situated that is specified in paragraph (5), is located
4 entirely within the same county as the claimant's original property.

5 (7) The claimant has not previously been granted, as a claimant,
6 the property tax relief provided by this section, except that this
7 paragraph shall not apply to any person who becomes severely
8 and permanently disabled subsequent to being granted, as a
9 claimant, the property tax relief provided by this section for any
10 person over the age of 55 years. In order to prevent duplication of
11 claims under this section within this state, county assessors shall
12 report quarterly to the State Board of Equalization that information
13 from claims filed in accordance with subdivision (f) and from
14 county records as is specified by the board necessary to identify
15 fully all claims under this section allowed by assessors and all
16 claimants who have thereby received relief. The board may specify
17 that the information include all or a part of the names and social
18 security numbers of claimants and their spouses and the identity
19 and location of the replacement dwelling to which the claim
20 applies. The information may be required in the form of data
21 processing media or other media and in a format that is compatible
22 with the recordkeeping processes of the counties and the auditing
23 procedures of the state.

24 (c) The property tax relief provided by this section shall be
25 available if the original property or the replacement dwelling, or
26 both, of the claimant includes, but is not limited to, either of the
27 following:

28 (1) A unit or lot within a cooperative housing corporation, a
29 community apartment project, a condominium project, or a planned
30 unit development. If the unit or lot constitutes the original property
31 of the claimant, the assessor shall transfer to the claimant's
32 replacement dwelling only the base year value of the claimant's
33 unit or lot and his or her share in any common area reserved as an
34 appurtenance of that unit or lot. If the unit or lot constitutes the
35 replacement dwelling of the claimant, the assessor shall transfer
36 the base year value of the claimant's original property only to the
37 unit or lot of the claimant and any share of the claimant in any
38 common area reserved as an appurtenance of that unit or lot.

39 (2) A manufactured home or a manufactured home and any land
40 owned by the claimant on which the manufactured home is situated.

1 For purposes of this paragraph, “land owned by the claimant”
2 includes a pro rata interest in a resident-owned mobilehome park
3 that is assessed pursuant to subdivision (b) of Section 62.1.

4 (A) If the manufactured home or the manufactured home and
5 the land on which it is situated constitutes the claimant’s original
6 property, the assessor shall transfer to the claimant’s replacement
7 dwelling either the base year value of the manufactured home or
8 the base year value of the manufactured home and the land on
9 which it is situated, as appropriate. If the manufactured home
10 dwelling that constitutes the original property of the claimant
11 includes an interest in a resident-owned mobilehome park, the
12 assessor shall transfer to the claimant’s replacement dwelling the
13 base year value of the claimant’s manufactured home and his or
14 her pro rata portion of the real property of the park. No transfer of
15 base year value shall be made by the assessor of that portion of
16 land that does not constitute a part of the original property, as
17 provided in paragraph (4) of subdivision (g).

18 (B) If the manufactured home or the manufactured home and
19 the land on which it is situated constitutes the claimant’s
20 replacement dwelling, the assessor shall transfer the base year
21 value of the claimant’s original property either to the manufactured
22 home or the manufactured home and the land on which it is
23 situated, as appropriate. If the manufactured home dwelling that
24 constitutes the replacement dwelling of the claimant includes an
25 interest in a resident-owned mobilehome park, the assessor shall
26 transfer the base year value of the claimant’s original property to
27 the manufactured home of the claimant and his or her pro rata
28 portion of the park. No transfer of base year value shall be made
29 by the assessor to that portion of land that does not constitute a
30 part of the replacement dwelling, as provided in paragraph (3) of
31 subdivision (g).

32 This subdivision shall be subject to the limitations specified in
33 subdivision (d).

34 (d) The property tax relief provided by this section shall be
35 available to a claimant who is the coowner of the original property,
36 as a joint tenant, a tenant in common, a community property owner,
37 or a present beneficiary of a trust subject to the following
38 limitations:

39 (1) If a single replacement dwelling is purchased or newly
40 constructed by all of the coowners and each coowner retains an

1 interest in the replacement dwelling, the claimant shall be eligible
2 under this section whether or not any or all of the remaining
3 coowners would otherwise be eligible claimants.

4 (2) If two or more replacement dwellings are separately
5 purchased or newly constructed by two or more coowners and
6 more than one coowner would otherwise be an eligible claimant,
7 only one coowner shall be eligible under this section. These
8 coowners shall determine by mutual agreement which one of them
9 shall be deemed eligible.

10 (3) If two or more replacement dwellings are separately
11 purchased or newly constructed by two coowners who held the
12 original property as community property, only the coowner who
13 has attained the age of 55 years, or is severely and permanently
14 disabled, shall be eligible under this section. If both spouses are
15 over 55 years of age, they shall determine by mutual agreement
16 which one of them is eligible.

17 In the case of coowners whose original property is a multiunit
18 dwelling, the limitations imposed by paragraphs (2) and (3) shall
19 only apply to coowners who occupied the same dwelling unit
20 within the original property at the time specified in paragraph (2)
21 of subdivision (b).

22 (e) Upon the sale of original property, the assessor shall
23 determine a new base year value for that property in accordance
24 with subdivision (a) of Section 2 of Article XIII A of the California
25 Constitution and Section 110.1, whether or not a replacement
26 dwelling is subsequently purchased or newly constructed by the
27 former owner or owners of the original property.

28 This section shall not apply unless the transfer of the original
29 property is a change in ownership that either (1) subjects that
30 property to reappraisal at its current fair market value in accordance
31 with Section 110.1 or 5803 or (2) results in a base year value
32 determined in accordance with this section, Section 69, or Section
33 69.3 because the property qualifies under this section, Section 69,
34 or Section 69.3 as a replacement dwelling or property.

35 (f) (1) A claimant shall not be eligible for the property tax relief
36 provided by this section unless the claimant provides to the
37 assessor, on a form that shall be designed by the State Board of
38 Equalization and that the assessor shall make available upon
39 request, the following information:

1 (A) The name and social security number of each claimant and
2 of any spouse of the claimant who is a record owner of the
3 replacement dwelling.

4 (B) Proof that the claimant or the claimant's spouse who resided
5 on the original property with the claimant was, at the time of its
6 sale, at least 55 years of age, or severely and permanently disabled.
7 Proof of severe and permanent disability shall be considered a
8 certification, signed by a licensed physician and surgeon of
9 appropriate specialty, attesting to the claimant's severely and
10 permanently disabled condition. In the absence of available proof
11 that a person is over 55 years of age, the claimant shall certify
12 under penalty of perjury that the age requirement is met. In the
13 case of a severely and permanently disabled claimant either of the
14 following shall be submitted:

15 (i) A certification, signed by a licensed physician or surgeon of
16 appropriate specialty that identifies specific reasons why the
17 disability necessitates a move to the replacement dwelling and the
18 disability-related requirements, including any locational
19 requirements, of a replacement dwelling. The claimant shall
20 substantiate that the replacement dwelling meets disability-related
21 requirements so identified and that the primary reason for the move
22 to the replacement dwelling is to satisfy those requirements. If the
23 claimant, or the claimant's spouse or guardian, so declares under
24 penalty of perjury, it shall be rebuttably presumed that the primary
25 purpose of the move to the replacement dwelling is to satisfy
26 identified disability-related requirements.

27 (ii) The claimant's substantiation that the primary purpose of
28 the move to the replacement dwelling is to alleviate financial
29 burdens caused by the disability. If the claimant, or the claimant's
30 spouse or guardian, so declares under penalty of perjury, it shall
31 be rebuttably presumed that the primary purpose of the move is
32 to alleviate the financial burdens caused by the disability.

33 (C) The address and, if known, the assessor's parcel number of
34 the original property.

35 (D) The date of the claimant's sale of the original property and
36 the date of the claimant's purchase or new construction of a
37 replacement dwelling.

38 (E) A statement by the claimant that he or she occupied the
39 replacement dwelling as his or her principal place of residence on
40 the date of the filing of his or her claim.

1 (F) Any claim under this section shall be filed within three years
2 of the date the replacement dwelling was purchased or the new
3 construction of the replacement dwelling was completed subject
4 to subdivision (k) or (m).

5 (2) A claim for transfer of base year value under this section
6 that is filed after the expiration of the filing period set forth in
7 subparagraph (F) of paragraph (1) shall be considered by the
8 assessor, subject to all of the following conditions:

9 (A) Any base year value transfer granted pursuant to that claim
10 shall apply commencing with the lien date of the assessment year
11 in which the claim is filed.

12 (B) The full cash value of the replacement property in the
13 assessment year described in subparagraph (A) shall be the base
14 year value of the real property in the assessment year in which the
15 base year value was transferred, factored to the assessment year
16 described in subparagraph (A) for both of the following:

17 (i) Inflation as annually determined in accordance with
18 paragraph (1) of subdivision (a) of Section 51.

19 (ii) Any subsequent new construction occurring with respect to
20 the subject real property that does not qualify for property tax relief
21 pursuant to the criteria set forth in subparagraphs (A) and (B) of
22 paragraph (4) of subdivision (h).

23 (g) For purposes of this section:

24 (1) "Person over the age of 55 years" means any person or the
25 spouse of any person who has attained the age of 55 years or older
26 at the time of the sale of the original property.

27 (2) "Base year value of the original property" means its base
28 year value, as determined in accordance with Section 110.1, with
29 the adjustments permitted by subdivision (b) of Section 2 of Article
30 XIII A of the California Constitution and subdivision (f) of Section
31 110.1, determined as of the date immediately prior to the date that
32 the original property is sold by the claimant, or in the case where
33 the original property has been substantially damaged or destroyed
34 by misfortune or calamity and the owner does not rebuild on the
35 original property, determined as of the date immediately prior to
36 the misfortune or calamity.

37 If the replacement dwelling is purchased or newly constructed
38 after the transfer of the original property, "base year value of the
39 original property" also includes any inflation factor adjustments
40 permitted by subdivision (f) of Section 110.1 for the period

subsequent to the sale of the original property. The base year or years used to compute the “base year value of the original property” shall be deemed to be the base year or years of any property to which that base year value is transferred pursuant to this section.

(3) “Replacement dwelling” means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, that is owned and occupied by a claimant as his or her principal place of residence, and any land owned by the claimant on which the building, structure, or other shelter is situated. For purposes of this paragraph, land constituting a part of a replacement dwelling includes only that area of reasonable size that is used as a site for a residence, and “land owned by the claimant” includes land for which the claimant either holds a leasehold interest described in subdivision (c) of Section 61 or a land purchase contract. Each unit of a multiunit dwelling shall be considered a separate replacement dwelling. For purposes of this paragraph, “area of reasonable size that is used as a site for a residence” includes all land if any nonresidential uses of the property are only incidental to the use of the property as a residential site. For purposes of this paragraph, “land owned by the claimant” includes an ownership interest in a resident-owned mobilehome park that is assessed pursuant to subdivision (b) of Section 62.1.

(4) “Original property” means a building, structure, or other shelter constituting a place of abode, whether real property or personal property, that is owned and occupied by a claimant as his or her principal place of residence, and any land owned by the claimant on which the building, structure, or other shelter is situated. For purposes of this paragraph, land constituting a part of the original property includes only that area of reasonable size that is used as a site for a residence, and “land owned by the claimant” includes land for which the claimant either holds a leasehold interest described in subdivision (c) of Section 61 or a land purchase contract. Each unit of a multiunit dwelling shall be considered a separate original property. For purposes of this paragraph, “area of reasonable size that is used as a site for a residence” includes all land if any nonresidential uses of the property are only incidental to the use of the property as a residential site. For purposes of this paragraph, “land owned by the claimant” includes an ownership interest in a resident-owned

1 mobilehome park that is assessed pursuant to subdivision (b) of
2 Section 62.1.

3 (5) “Equal or lesser value” means that the amount of the full
4 cash value of a replacement dwelling does not exceed one of the
5 following:

6 (A) One hundred percent of the amount of the full cash value
7 of the original property if the replacement dwelling is purchased
8 or newly constructed prior to the date of the sale of the original
9 property.

10 (B) One hundred and five percent of the amount of the full cash
11 value of the original property if the replacement dwelling is
12 purchased or newly constructed within the first year following the
13 date of the sale of the original property.

14 (C) One hundred and ten percent of the amount of the full cash
15 value of the original property if the replacement dwelling is
16 purchased or newly constructed within the second year following
17 the date of the sale of the original property.

18 For the purposes of this paragraph, except as otherwise provided
19 in paragraph (4) of subdivision (h), if the replacement dwelling is,
20 in part, purchased and, in part, newly constructed, the date the
21 “replacement dwelling is purchased or newly constructed” is the
22 date of purchase or the date of completion of construction,
23 whichever is later.

24 (6) “Full cash value of the replacement dwelling” means its full
25 cash value, determined in accordance with Section 110.1, as of
26 the date on which it was purchased or new construction was
27 completed, and after the purchase or the completion of new
28 construction.

29 (7) “Full cash value of the original property” means, either:

30 (A) Its new base year value, determined in accordance with
31 subdivision (e), without the application of subdivision (h) of
32 Section 2 of Article XIII A of the California Constitution, plus the
33 adjustments permitted by subdivision (b) of Section 2 of Article
34 XIII A and subdivision (f) of Section 110.1 for the period from the
35 date of its sale by the claimant to the date on which the replacement
36 property was purchased or new construction was completed.

37 (B) In the case where the original property has been substantially
38 damaged or destroyed by misfortune or calamity and the owner
39 does not rebuild on the original property, its full cash value, as
40 determined in accordance with Section 110, immediately prior to

1 its substantial damage or destruction by misfortune or calamity,
2 as determined by the county assessor of the county in which the
3 property is located, without the application of subdivision (h) of
4 Section 2 of Article XIII A of the California Constitution, plus the
5 adjustments permitted by subdivision (b) of Section 2 of Article
6 XIII A of the California Constitution and subdivision (f) of Section
7 110.1, for the period from the date of its sale by the claimant to
8 the date on which the replacement property was purchased or new
9 construction was completed.

10 (8) "Sale" means any change in ownership of the original
11 property for consideration.

12 (9) "Claimant" means any person claiming the property tax
13 relief provided by this section. If a spouse of that person is a record
14 owner of the replacement dwelling, the spouse is also a claimant
15 for purposes of determining whether in any future claim filed by
16 the spouse under this section the condition of eligibility specified
17 in paragraph (7) of subdivision (b) has been met.

18 (10) "Property that is eligible for the homeowners' exemption"
19 includes property that is the principal place of residence of its
20 owner and is entitled to exemption pursuant to Section 205.5.

21 (11) "Person" means any individual, but does not include any
22 firm, partnership, association, corporation, company, or other legal
23 entity or organization of any kind. "Person" includes an individual
24 who is the present beneficiary of a trust.

25 (12) "Severely and permanently disabled" means any person
26 described in subdivision (b) of Section 74.3.

27 (13) For the purposes of this section, property is "substantially
28 damaged or destroyed by misfortune or calamity" if either the land
29 or the improvements sustain physical damage amounting to more
30 than 50 percent of either the land's or the improvement's full cash
31 value immediately prior to the misfortune or calamity. Damage
32 includes a diminution in the value of property as a result of
33 restricted access to the property where the restricted access was
34 caused by the misfortune or calamity and is permanent in nature.

35 (h) (1) Upon the timely filing of a claim described in
36 subparagraph (F) of paragraph (1) of subdivision (f), the assessor
37 shall adjust the new base year value of the replacement dwelling
38 in conformity with this section. This adjustment shall be made as
39 of the latest of the following dates:

40 (A) The date the original property is sold.

1 (B) The date the replacement dwelling is purchased.

2 (C) The date the new construction of the replacement dwelling
3 is completed.

4 (2) Any taxes that were levied on the replacement dwelling prior
5 to the filing of the claim on the basis of the replacement dwelling's
6 new base year value, and any allowable annual adjustments thereto,
7 shall be canceled or refunded to the claimant to the extent that the
8 taxes exceed the amount that would be due when determined on
9 the basis of the adjusted new base year value.

10 (3) Notwithstanding Section 75.10, Chapter 3.5 (commencing
11 with Section 75) shall be utilized for purposes of implementing
12 this subdivision, including adjustments of the new base year value
13 of replacement dwellings acquired prior to the sale of the original
14 property.

15 (4) In the case where a claim under this section has been timely
16 filed and granted, and new construction is performed upon the
17 replacement dwelling subsequent to the transfer of base year value,
18 the property tax relief provided by this section also shall apply to
19 the replacement dwelling, as improved, and thus there shall be no
20 reassessment upon completion of the new construction if both of
21 the following conditions are met:

22 (A) The new construction is completed within two years of the
23 date of the sale of the original property and the owner notifies the
24 assessor in writing of completion of the new construction within
25 six months after completion.

26 (B) The fair market value of the new construction on the date
27 of completion, plus the full cash value of the replacement dwelling
28 on the date of acquisition, is not more than the full cash value of
29 the original property as determined pursuant to paragraph (7) of
30 subdivision (g) for purposes of granting the original claim.

31 (i) Any claimant may rescind a claim for the property tax relief
32 provided by this section and shall not be considered to have
33 received that relief for purposes of paragraph (7) of subdivision
34 (b), and the assessor shall grant the rescission, if a written notice
35 of rescission is delivered to the office of the assessor as follows:

36 (1) A written notice of rescission signed by the original filing
37 claimant or claimants is delivered to the office of the assessor in
38 which the original claim was filed.

39 (2) (A) Except as otherwise provided in this paragraph, the
40 notice of rescission is delivered to the office of the assessor before

1 the date that the county first issues, as a result of relief granted
2 under this section, a refund check for property taxes imposed upon
3 the replacement dwelling. If granting relief will not result in a
4 refund of property taxes, then the notice shall be delivered before
5 payment is first made of any property taxes, or any portion thereof,
6 imposed upon the replacement dwelling consistent with relief
7 granted under this section. If payment of the taxes is not made,
8 then notice shall be delivered before the first date that those
9 property taxes, or any portion thereof, imposed upon the
10 replacement dwelling, consistent with relief granted under this
11 section, are delinquent.

12 (B) Notwithstanding any other provision in this division, any
13 time the notice of rescission is delivered to the office of the assessor
14 within six years after relief was granted, provided that the
15 replacement property has been vacated as the claimant's principal
16 place of residence within 90 days after the original claim was filed,
17 regardless of whether the property continues to receive the
18 homeowners' exemption. If the rescission increases the base year
19 value of a property, or the homeowners' exemption has been
20 incorrectly allowed, appropriate escape assessments or
21 supplemental assessments, including interest as provided in Section
22 506, shall be imposed. The limitations periods for any escape
23 assessments or supplemental assessments shall not commence until
24 July 1 of the assessment year in which the notice of rescission is
25 delivered to the office of the assessor.

26 (3) The notice is accompanied by the payment of a fee as the
27 assessor may require, provided that the fee shall not exceed an
28 amount reasonably related to the estimated cost of processing a
29 rescission claim, including both direct costs and developmental
30 and indirect costs, such as costs for overhead, personnel, supplies,
31 materials, office space, and computers.

32 (j) (1) With respect to the transfer of base year value of original
33 properties to replacement dwellings located in the same county,
34 this section, except as provided in paragraph (3) or (4), shall apply
35 to any replacement dwelling that is purchased or newly constructed
36 on or after November 6, 1986.

37 (2) With respect to the transfer of base year value of original
38 properties to replacement dwellings located in different counties,
39 except as provided in paragraph (4), this section shall apply to any
40 replacement dwelling that is purchased or newly constructed on

1 or after the date specified in accordance with subparagraph (E) of
2 paragraph (2) of subdivision (a) in the ordinance of the county in
3 which the replacement dwelling is located, but shall not apply to
4 any replacement dwelling which was purchased or newly
5 constructed before November 9, 1988.

6 (3) With respect to the transfer of base year value by a severely
7 and permanently disabled person, this section shall apply only to
8 replacement dwellings that are purchased or newly constructed on
9 or after June 6, 1990.

10 (4) The amendments made to subdivision (e) by the act adding
11 this paragraph shall apply only to replacement dwellings under
12 Section 69 that are acquired or newly constructed on or after
13 October 20, 1991, and shall apply commencing with the 1991–92
14 fiscal year.

15 (k) (1) In the case in which a county adopts an ordinance
16 pursuant to paragraph (2) of subdivision (a) that establishes an
17 applicable date which is more than three years prior to the date of
18 adoption of the ordinance, those potential claimants who purchased
19 or constructed replacement dwellings more than three years prior
20 to the date of adoption of the ordinance and who would, therefore,
21 be precluded from filing a timely claim, shall be deemed to have
22 timely filed a claim if the claim is filed within three years after the
23 date that the ordinance is adopted. This paragraph may not be
24 construed as a waiver of any other requirement of this section.

25 (2) In the case in which a county assessor corrects a base year
26 value to reflect a pro rata change in ownership of a resident-owned
27 mobilehome park that occurred between January 1, 1989, and
28 January 1, 2002, pursuant to paragraph (4) of subdivision (b) of
29 Section 62.1, those claimants who purchased or constructed
30 replacement dwellings more than three years prior to the correction
31 and who would, therefore, be precluded from filing a timely claim,
32 shall be deemed to have timely filed a claim if the claim is filed
33 within three years of the date of notice of the correction of the base
34 year value to reflect the pro rata change in ownership. This
35 paragraph may not be construed as a waiver of any other
36 requirement of this section.

37 (3) This subdivision does not apply to a claimant who has
38 transferred his or her replacement dwelling prior to filing a claim.

39 (4) The property tax relief provided by this section, but filed
40 under this subdivision, shall apply prospectively only, commencing

1 with the lien date of the assessment year in which the claim is
2 filed. There shall be no refund or cancellation of taxes prior to the
3 date that the claim is filed.

4 (l) No escape assessment may be levied if a transfer of base
5 year value under this section has been erroneously granted by the
6 assessor pursuant to an expired ordinance authorizing intercounty
7 transfers of base year value.

8 (m) (1) The amendments made to subdivisions (b) and (g) of
9 this section by Chapter 613 of the Statutes of 2001 shall apply:

10 (A) With respect to the transfer of base year value of original
11 properties to replacement dwellings located in the same county,
12 to any replacement dwelling that is purchased or newly constructed
13 on or after November 6, 1986.

14 (B) With respect to the transfer of base year value of original
15 properties to replacement dwellings located in different counties,
16 to any replacement dwelling that is purchased or newly constructed
17 on or after the date specified in accordance with subparagraph (E)
18 of paragraph (2) of subdivision (a) in the ordinance of the county
19 in which the replacement dwelling is located, but not to any
20 replacement dwelling that was purchased or newly constructed
21 before November 9, 1988.

22 (C) With respect to the transfer of base year value by a severely
23 and permanently disabled person, to replacement dwellings that
24 are purchased or newly constructed on or after June 6, 1990.

25 (2) The property tax relief provided by this section in accordance
26 with this subdivision shall apply prospectively only commencing
27 with the lien date of the assessment year in which the claim is
28 filed. There shall be no refund or cancellation of taxes prior to the
29 date that the claim is filed.

30 (n) A claim filed under this section is not a public document
31 and is not subject to public inspection, except that a claim shall be
32 available for inspection by the claimant or the claimant's spouse,
33 the claimant's or the claimant's spouse's legal representative, the
34 trustee of a trust in which the claimant or the claimant's spouse is
35 a present beneficiary, and the executor or administrator of the
36 claimant's or the claimant's spouse's estate.

37 (o) The amendments made to this section by the act adding this
38 subdivision shall apply commencing with the lien date for the
39 2012–13 fiscal year.

1 *SEC. 2. If the Commission on State Mandates determines that*
2 *this act contains costs mandated by the state, reimbursement to*
3 *local agencies and school districts for those costs shall be made*
4 *pursuant to Part 7 (commencing with Section 17500) of Division*
5 *4 of Title 2 of the Government Code.*

6 *SEC. 3. Notwithstanding Section 2229 of the Revenue and*
7 *Taxation Code, no appropriation is made by this act and the state*
8 *shall not reimburse any local agency for any property tax revenues*
9 *lost by it pursuant to this act.*

10 *SEC. 4. This act provides for a tax levy within the meaning of*
11 *Article IV of the Constitution and shall go into immediate effect.*
12 *However, the provisions of this act shall become operative only if*
13 *Assembly Constitutional Amendment ____ of the 2013–14 Regular*
14 *Session is approved by the voters and, in that event, shall become*
15 *operative on January 1, 2014.*

16 ~~SECTION 1. Section 17020.3 of the Revenue and Taxation~~
17 ~~Code is amended to read:~~

18 ~~17020.3. For purposes of this part, the term “exchanged basis~~
19 ~~property” has the same meaning given to that term by Section~~
20 ~~7701(a)(44) of the Internal Revenue Code, except that reference~~
21 ~~to Subtitle A shall instead be a reference to this part.~~